

To the Honorable Council City of Norfolk, Virginia March 15, 2016

From:

David S. Freeman, AICP

**Director of General Services** 

**Subject**: Sale of city-owned property located adjacent to 1433 W 27<sup>th</sup> Street and known as SS W 27<sup>th</sup> Street

to Jale Evsen

Reviewed:

Sabrina Joy-Hogg, Deputy City Manager

Ward/Superward: 2/6

Approved:

Wan Da

**Item Number:** 

PH-7

Marcus D. Jones, City Manager

I. Recommendation: Adopt Ordinance

II. Applicant:

Jale Evsen

1433 W 27<sup>th</sup> Street Norfolk, Virginia

#### III. Description:

This agenda item is an ordinance to sell a vacant parcel of land owned by the City of Norfolk (the "city") located adjacent to 1433 W 27<sup>th</sup> Street and known as SS W 27<sup>th</sup> Street (the "property") to Jale Evsen ("Evsen").

#### IV. Analysis

Evsen seeks to purchase the property adjacent to his property located at 1433 W 27<sup>th</sup> Street for use as a side yard as his property encroaches into the city-owned property. Conveyance to Evsen will subject the property to real estate taxes, thereby creating on-going revenue for the city. No specific City use has been identified for this property.

V. Financial Impact

Cost for Conveyance	Five thousand dollars (\$5,000.00)
Typical Costs of Closing	Each party to this transaction shall pay its own legal fees.
Annual Tax Revenue of Parcel	\$57.50 annually (conveying this property will enable the City to place the property back on the tax rolls)

## VI. Environmental

There are no known environmental issues associated with this property.

## VII. Community Outreach/Notification

Public notification for this agenda item was conducted through the city's agenda notification process.

## VIII. Board/Commission Action

N/A

## IX. Coordination/Outreach

This ordinance and letter have been coordinated with the Department of General Services – Office of Real Estate and the City Attorney's Office.

## Supporting Material from the City Attorney's Office:

- Ordinance
- Legal Description of the Property
- Proposed Purchase and Sales Agreement
- Map view of parcel

Form and Correctness Approved

By Atlancia Laman

Office of the City Attorney

NORFOLK, VIRGINIA

Contents Approved:

DEPT. General Services

# ORDINANCE No.

AN ORDINANCE AUTHORIZING THE CONVEYANCE TO JALE EVSEN OF A CERTAIN PARCEL OF PROPERTY LOCATED ADJACENT TO 1433 W  $27^{\text{TH}}$  STREET AND KNOWN AS S S W  $27^{\text{TH}}$  STREET FOR THE TOTAL SUM OF \$5,000.00 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE PURCHASE AND SALE AGREEMENT.

WHEREAS, the City of Norfolk owns certain property known as S S W  $27^{\rm th}$  Street; and

WHEREAS, Jale Evsen ("Evsen") has offered to purchase the said property being described in <a href="Exhibit A">Exhibit A</a> attached hereto, from the City of Norfolk for the sum of \$5,000.00; and

WHEREAS, Section 2(5) of the Norfolk City Charter provides the City with broad authority for the disposition of its real property; and

WHEREAS, Council has determined that the public interest is best served by the conveyance of the property to Evsen for the sum of \$5,000.00 upon the terms and conditions set forth in the Purchase and Sale Agreement attached hereto as <a href="Exhibit B">Exhibit B</a>; now, therefore,

BE IT ORDAINED by the Council of the City of Norfolk:

Section 1:- That the sale to Evsen of that certain parcel of property described in <a href="Exhibit A">Exhibit A</a>, for the sum of \$5,000.00, is hereby authorized and the Purchase and

Sale Agreement, a copy of which is attached as  $\underline{\text{Exhibit}}$   $\underline{\text{B}}$ , is hereby approved.

Section 2:- That upon receipt of the sum of \$5,000.00 and the satisfaction of all terms and conditions set forth in the Purchase and Sale Agreement, the City Manager is authorized to deliver a deed conveying the said property to Evsen, with Special Warranty of Title, in form satisfactory to the City Attorney, and the City Manager is further authorized to do all things necessary and proper to carry out the terms of the Purchase and Sale Agreement.

Section 3:- That the City Manager, with the advice and counsel of the City Attorney, may correct, revise or amend the Purchase and Sale Agreement as he may deem advisable in order to carry out the intent of the Council as expressed herein.

Section 4:- That this ordinance shall be in effect from and after thirty (30) days from the date of its adoption.

## **EXHIBIT A TO ORDINANCE**

1433 W. 27<sup>th</sup> Street Portion of Lot 79, Block D, Plan of John Seeley's Property M. B. 3, P. 28-29

A rectangular-shaped lot, piece or parcel of land situate, lying and being in the City of Norfolk, Virginia, said parcel being bounded on the north by W. 27th Street and described as follows: The east 18.5 feet of Lot 79 in Block D as shown on that certain plat entitled, "Plan of John Seeley's Property, Lamberts Point," said plat being duly recorded in the Clerk's Office of the Circuit Court of the City of Chesapeake, Virginia, in Map Book 3 at Page 28-29.

November 17, 2015

#### **EXHIBIT B TO ORDINANCE**

#### PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made this	day of	, 2016, by ar	nd between the
CITY OF NORFOLK, a municipal corpora	tion of the C	ommonwealth of Virgini	a ("City"), and
JALE EVSEN. ("Evsen"), whose address is	7026 Woodl	ev Lane, Falls Church, V	irginia 22042.

#### **RECITALS:**

- A. City is the owner in fee simple of certain real property located adjacent to 1433 W 27<sup>th</sup> Street, known as S S W 27<sup>th</sup> Street, together with all improvements thereon and all rights and appurtenances thereunto pertaining, located in the City of Norfolk, Virginia, said property being described in Exhibit A, which is attached hereto and made a part hereof ("Property").
- B. Evsen desires to purchase the property from City and City desires to sell the Property to Evsen in accordance with the terms and conditions of this Agreement.
  - C. These recitals are incorporated by this reference into this Agreement.

**NOW, THEREFORE**, in consideration of the purchase price and the mutual promises contained in this Agreement, the parties agree as follows:

- 1. <u>SALE</u>. City agrees to sell and Evsen agrees to purchase the Property, together with all easements, rights, and appurtenances thereto, and all buildings and improvements now located thereon.
- 2. <u>PURCHASE PRICE</u>. The purchase price (the "Purchase Price") for the Property is **Five Thousand Dollars and 0/100 (\$5,000.00)**, and the Purchase Price will be paid in the form of a certified check or by wire transfer of funds at Closing.
- 3. <u>DEPOSIT</u>. Within five (5) business days from the date this Agreement is fully executed by City, Evsen shall deposit with an escrow agent selected by City ("Escrow Agent") the sum of **Five Hundred Dollars and 0/100 (\$500.00)** in cash as earnest money ("Deposit"). The Deposit shall be deposited by the Escrow Agent in a fully federally insured interest bearing account and all interest accruing on the Deposit shall belong to Evsen in all events. The Deposit shall be non-refundable except as specifically set forth herein.

#### 4. CONVEYANCE.

- a. City agrees to convey the Property "AS IS" to Evsen by Special Warranty Deed, subject to applicable easements and restrictive covenants of record.
  - b. Possession of the Property will be given to Evsen at closing.

- c. City agrees to pay the expenses of preparing the deed and to pay any fees or costs that are normally the responsibility of the Grantor. Evsen will pay all other fees and costs charged in connection with the transfer of the Property and the recordation of the deed.
- d. City and Evsen agree that the attorney or title insurance company ("Title Company") selected by Evsen shall act as the settlement agent ("Settlement Agent") at Evsen's expense. The Settlement Agent shall prepare the settlement statement, update and record the deed, collect and disburse settlement funds in accordance with this Agreement and the settlement statement, and file any required state and federal tax forms or other certifications in accordance with Paragraph 16.
- 5. <u>FEASIBILITY PERIOD</u>. Evsen shall have 90 days from the date the Purchase and Sale Agreement is executed by all parties in which to complete its assessment of the Property, including title examination and environmental assessment.
- 6. <u>CLOSING</u>. Closing will be made at the offices of the Norfolk City Attorney, 810 Union Street, Suite 900, Norfolk, Virginia 23510, or such other location as the parties may agree, within 120 days of the effective date of the ordinance authorizing the conveyance of the property by City ("Effective Date"), or as soon thereafter as settlement documents can be prepared and any title issues can be resolved.
- 7. <u>CONDITIONS</u>. Evsen's obligations are expressly conditioned upon the satisfaction of each of the following conditions in the sole determination of Evsen, it being understood that City is under no obligation whatsoever to expend any funds to satisfy any of these conditions. If any one of the following conditions cannot be met within the Feasibility Period, Evsen may unilaterally terminate this Agreement:
  - a. Receipt of a satisfactory title commitment.
- b. Receipt of a Phase I Environmental Assessment and Report ("Phase 1 Report") conducted and prepared by an environmental engineering and inspection company selected by Evsen at Evsen's expense, and such other testing and reports as may be reasonably required by Evsen or recommended in the Phase I Report, any such additional testing and reports will be at the Evsen's expense.
  - c. Satisfaction by City of all obligations under this Agreement.
- 8. <u>SOLD "AS IS"</u>; NO REPRESENTATIONS AND WARRANTIES BY CITY. Evsen acknowledges that City has made no representations or warranties whatsoever in regard to the Property, except for Special Warranty of Title. Evsen agrees that she has inspected and is thoroughly familiar with the Property and are acquiring the Property in its "as is" condition. Evsen understands and agrees that City has not made and makes no representations or warranties of any kind with respect to the condition of the Property or its fitness, suitability or acceptability for any particular use or purpose, and City shall not be liable for any latent or patent defects therein.

9. <u>NOTICES</u>. All notices to the parties hereto will be delivered by hand, via certified mail return receipt requested, or via facsimile and all be deemed effective upon delivery if by hand and upon confirmation of receipt if by other means, to the following address until the address is changed by notice in writing to the other party:

Purchaser:

Jale Evsen

7026 Woodley Lane

Falls Church, Virginia 22042

City:

City of Norfolk

Attn: Bernard Pishko, City Attorney

810 Union Street, Suite 900 Norfolk, Virginia 23510

- 10. <u>SURVIVAL</u>. The provisions contained in this Agreement will be true as of the date of this Agreement and as of the date of Closing and will survive the Closing.
- 11. <u>BROKERAGE OR AGENT'S FEES</u>. Neither City nor Evsen are represented by a real estate broker, agent or finder in this transaction. No fees or commissions are or will be due from or payable by City as a result of this transaction. City shall not have any obligation whatsoever to pay any brokers or agent's fees or commissions, nor shall City have any obligation whatsoever to see that any such fees or commissions are paid.

## 12. DEFAULT AND REMEDIES.

- a. If the conveyance contemplated by this Agreement is not consummated because of City's or Evsen's default, the non-defaulting party may elect to:
  - i. Terminate this Agreement;
  - ii. Seek and obtain specific performance of this Agreement; or
- 13. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and will supersede the terms and conditions of all prior written and oral agreements, if any, concerning the matters it covers. The parties acknowledge there are no oral agreements, understandings, representations, or warranties that supplement or explain the terms and conditions contained in this Agreement. This Agreement may not be modified except by an agreement in writing signed by the parties.
- 14. <u>GOVERNING LAW</u>. This Agreement is to be construed in accordance with the laws of the Commonwealth of Virginia.
- 15. <u>SUCCESSOR/ASSIGNMENT</u>. This Agreement will be binding upon and the obligations and benefits hereof will accrue to the parties hereto, their heirs, personal representatives, successors and assigns.

16. IRS REPORTING REQUIREMENTS. For the purpose of complying with any information reporting requirements or other rules and regulations of the Internal Revenue Service ("IRS") that are or may become applicable as a result of or in connection with the transaction contemplated by this Purchase and Sale Agreement including, but not limited to, any requirements set forth in proposed Income Tax Regulation Section 1.6045-4 and any final or successor version thereof (collectively the "IRS Reporting Requirements"), City and Evsen hereby designate and appoint Evsen's attorney or Title Company to act as the "Reporting Person" (as that term is defined in the IRS Reporting Requirements) to be responsible for complying with any IRS Reporting Requirements. The attorney or Title Company hereby acknowledges and accepts such designation and appointment and agrees to fully comply with any IRS Reporting Requirements that are or may become applicable as a result of or in connection with the transaction contemplated by this Purchase and Sale Agreement. Without limiting the responsibility and obligations of the attorney or Title Company as the Reporting Person, City and Evsen hereby agree to comply with any provisions of the IRS Reporting Requirements that are not identified therein as the responsibility of the Reporting Person, including but not limited to, the requirement that City and Evsen each retain an original counterpart of this Purchase and Sale Agreement for at least four (4) years following the calendar year of the Closing.

WITNESS the following duly authorized signatures and seals:

[SIGNATURES ON FOLLOWING PAGE]

# CITY OF NORFOLK

	By:	
		ty Manager
Attest:		
City Clerk		
COMMONWEALTH OF VIRGINIA CITY OF NORFOLK, to-wit:		
I,	se term of office by certify that Marcu ectively, of the City	of Norfolk, whose names as such
Given under my hand this	_day of	, 2016.
	Notary Public	
	Registration No	
APPROVED AS TO CONTENTS:		
Director, Department of General Services	_	
APPROVED AS FORM AND CORRECT	TNESS:	
Deputy City Attorney	_	

	PURCHASER:
	JALE EVSEN
COMMONWEALTH OF VIRGINIA CITY OF, to-wit:	
certify that Jale Evsen, whose name is sign	otary Public in and for the City of, rm of office expires on, do hereby ed to the foregoing Purchase and Sale Agreement dated mowledged the same before me in my City and State has produced a driver's license as identification.
Given under my hand this day o	
	Notary Public
	Registration No

# ACKNOWLEDGEMENT BY TITLE COMPANY

The undersigned,	, (referred to in this
Conveyance Agreement as the "7	Title Company"), hereby acknowledges that it received this
	by Seller and Purchaser and accepts the obligations of Title
Company as set forth herein.	
	TITLE COMPANY
	TITLE COMPANY
	By:
	DJ
	Title:
	Company:

## **EXHIBIT A**

1433 W. 27<sup>th</sup> Street Portion of Lot 79, Block D, Plan of John Seeley's Property M. B. 3, P. 28-29

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